Approved For Relea 2004/21/29 61A-RDP75-00001R000300490070-5

U. S. 'Disowns' CIA Report on 'Neutral' Viet

WASHINGTON, Aug. 24 (UPI) — Administration officials are disturbed by the possible political repercussions of a Central Intelligence Agency (CIA) Document which contains an implication that a compromise with the Communists may eventually be necessary in the South Viet Nampower struggle.

Top-level officials are attempting to make it clear that the CIA report—which declares at one point that victory over the Communists is doubtful and that a "Neutralization" deal may be called for—does not represent U.S. Policy.

45-PAGE PAPER

The 45-page paper, prepared by Willard Matthias of CIA's Board of National Estimates, attempts to assess developments in various parts of the world within the framework of the Soviet-American power relationship.

It was written earlier this year. It has been circulated among various government agencies with a notation that, it had "general approval" of the CIA Board, which had, however, made no attempt to reach complete agreement on every point of it.

The political implications of the report are obvious, inasmuch as Republican Presidential candidate Barry M. Goldwater is charging the Johnson Administration with a "no-win" foreign policy.

Administration officials say they want to emphasize that the paper has never been presented to or considered by President Johnson's National Security Council or the top level U.S. intelligence estimate board,

Official sources disclosed the existence of the document over the weekend